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FM AMCONSUL HONG KONG
TO RUEHC/SECSTATE WASHDC PRIORITY 8875
INFO RUEHOO/CHINA POSTS COLLECTIVE

C O N F I D E N T I A L SECTION 01 OF 02 HONG KONG 002031

SIPDIS

DEPT FOR EAP/CM; ALSO FOR DRL

E.O. 12958: DECL: 10/30/2019

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SUBJECT: HONG KONG CONSTITUTIONAL REFORM: 102 PEOPLE
BETWEEN SUCCESS AND FAILURE

REF: (A) HONG KONG 1931 (B) HONG KONG 1918

Classified By: Acting Consul General Christopher Marut for reasons 1.4(b) and (d)

¶1. (C) Summary: The success of the Hong Kong government's coming constitutional reform proposal may hinge on whether 102 District Councilors appointed by the Chief Executive will have a vote for newly-created Legislative Council (LegCo) seats and for the Chief Executive in 2012. While credible media reports suggest the government intends to grant them a role, a pro-Beijing party was quoted as calling for them to be left out of the new plan. This issue was one of two which sank the government's 2005 reform proposal (the other was the lack of a timetable for universal suffrage, which Beijing has now settled). If the appointees are not given a vote, the government could well swing the few "moderate" legislators it needs to break the "blocking minority" the pan-democrats now hold. If the appointees are included in the plan, however, we expect all twenty-three pan-democrats to vote against the plan, thus scuttling it. Meanwhile, a Hong Kong government contact well-connected in Beijing told us Beijing would likely tighten the requirements for nomination for Chief Executive to avoid seeing a candidate elected that it will have to reject. End Summary.

Background: Why the 2005 Proposal Failed

¶2. (C) The last formal proposal for constitutional reform in Hong Kong, which was defeated by a pan-democratic "blocking minority" in the Legislative Council in 2005, failed principally for two reasons. First was the lack of an explicit timetable for elections by universal suffrage for all of LegCo and the Chief Executive (CE). That issue was resolved by a December 2007 National People's Congress Standing Committee (NPC/SC) decision that set target dates of 2017 for the CE and "after" for LegCo (2020 earliest). The NPC/SC's "may" on both counts is substantially less binding than the firm "timetable" the Hong Kong Special Administrative Region government (HKSARG) claims to have in hand. That said, locally-accepted wisdom is that Beijing is sincere about allowing orderly progress towards full democracy, even if its definition of universal suffrage differs from the pan-democrats'.

¶3. (C) The second reason the proposal failed was the pan-democrats' objection to the HKSARG's formula for expanding LegCo and broadening the electorate for the CE. Currently, the CE is nominated and elected by an 800-member Election Committee, themselves elected by four limited constituencies with membership stacked in Beijing's favor.) In the 2005 package, the HKSARG proposed adding five directly elected LegCo seats (one for each of Hong Kong's geographic constituencies) and five functional constituency seats. (Note: The existing 50/50 split between geographic and functional seats was fixed for the 2008 LegCo elections by an

NPC/SC decision issued April 26, 2004. End Note.) The pan-democrats and Hong Kong society at large both view functional constituencies, which represent narrow economic and social sectors, as undemocratic. The HKSARG sought to give a more democratic character to the five new functional seats by having them be elected by the District Councils, local representative bodies handling grass-roots concerns. The majority of District Councilors are directly elected, and so the government billed the new seats as being a kind of indirect democracy.

14. (C) However, the pan-democrats objected to any involvement by the 102 councilors appointed by the CE (about a fifth of the total), most of whom are pro-government/pro-Beijing. They similarly opposed this group's participation in an expanded CE Election Committee (which under the 2005 proposal was to grow from 800 to 1600). The HKSARG refused to budge on their participation, although it offered to phasing out the appointed seats in 2016 as a compromise. The package was defeated December 21, 2005, with the pan-democrats' "blocking minority" denying the HKSARG the 2/3 majority needed to pass changes to the Basic Law.

Different Year, but Same Plan?

15. (C) In recent days, media have quoted anonymous Beijing-connected politicians as saying the HKSARG's new proposal would be essentially the same as was offered in 2005, including the five-and-five increase for LegCo and participation by appointed District Councilors in electing

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the new legislators. Central Policy Unit (CPU - the HKSARG's in-house think-tank) member Shiu Sin-por told us October 29 he believed the reports were accurate. He also told us that, although CE Donald Tsang Yam-kuen had lobbied for more reforms, this was all Beijing was willing to give. While Tsang pledged in his 2007 election campaign to solve universal suffrage during his term (words to which the pan-democrats continue to hold him) and earlier this year that the new proposal would not simply be 2005 redux, Shiu says Tsang did not clear either promise with Beijing.

16. (C) In contrast, October 30 media reports quoted the pro-Beijing Federation of Trade Unions (FTU - the labor analogue to the Democratic Alliance for the Betterment of Hong Kong) as supporting a package which excluded the appointed District Councilors, at least from the LegCo elections. (Note: FTU is reportedly still discussing CE election arrangements, including any role for appointed District Councilors. End Note.) As reported ref (b) and previously, such a proposal might well win the support of pan-democratic swing votes from some of the smaller parties, and even the Democratic Party (DPHK). At present, however, DPHK and Civic Party leaders reject discussion of these technical issues for the 2012 LegCo and CE elections as a distraction from their goal -- a roadmap to the 2017 CE and 2020 LegCo elections, including guarantees both will meet pan-democratic standards of universal suffrage.

One-Two Punch

17. (C) As noted above, CPU's Shiu believes Beijing has set the limits of what the HKSARG can put on the table for 2012. He put the HKSARG's continued refusal to discuss any elections beyond 2012 in the Beijing context, reminding us 2012 will be a leadership transition year for the PRC as well. Just as Tsang has argued he cannot tie the hands of his successor, Shiu told us Beijing does not want to bind the Fifth Generation leadership on future Hong Kong policy. Shiu also told us that while Vice President Xi Jinping may oversee Hong Kong policy, President Hu Jintao himself makes the final

decisions on major issues.

¶18. (C) Shiu insisted Beijing wanted to resolve universal suffrage in Hong Kong because the issue had dragged on for twenty years to the distraction of other, more important concerns. That said, Beijing does not want to lose control. For that reason, Shiu said Beijing would make sure the final form of the CE nomination and election process will not allow Hong Kong to elect someone Beijing will not be willing to appoint as CE. Beijing is not confident that the Hong Kong people would not elect someone unacceptable (a possibility most observers in Hong Kong dismiss.)

¶19. (C) Senior Liberal Party member (and NPC delegate) Michael Tien Puk-sun told us something similar in September. Beijing didn't worry about the Civics' Alan Leong Kah-kit running against Donald Tsang in 2007 because Tsang's re-election was a given from the start. Like Shiu, Tien dismissed notions that Tsang's superior 2007 polling numbers (analysts concluded Tsang would have won an actual election) indicated Hong Kong would vote equally pragmatically in the future. Leong was the only one willing to run in an election known to be a lost cause, Tien argued. In a real election, someone like Civic Party Leader Audrey Eu Yuet-mei (who consistently polls as Hong Kong's most popular politician) might run and win, which is a result Beijing would not accept.

Comment: Simple Question of Numbers

¶10. (C) If the eventual HKSARG proposal (likely to arrive in LegCo in mid-2010) includes the appointed District Councilors, it will fail on a party-line vote with all 23 pan-democrats opposing. If it resembles what the FTU are reportedly proposing, it is more likely than not to pass. If the HKSARG's proposal for an expanded CE Electoral Committee does not include appointed District Councilors and creates no new obstacles to nominating pan-democratic candidates, it will postpone -- but not prevent -- an inevitable clash on the format for universal suffrage elections for CE.
MARUT